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Investigating the Impact of Florida's Growth Management Approach on the State's Largest Cities

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With the passage of the 1985 Growth Management Act (GMA), Florida's new growth management approach was met with both hope and apprehension in the state's largest cities. The state's growth management approach offered hope because of a set of requirements that all local governments in Florida develop goals, objectives, and policies that both directly and indirectly promote urban revitalization in central cities throughout the state. Alternatively, some predicted that the state's new growth controls would hinder the growth of the state's economy and, by extension, the revitalization of Florida's central cities. In particular, the state's concurrency mandate explicitly prohibited development in areas where roads were congested, parks and recreation facilities were inadequate, and stormwater facilities were insufficient, conditions found in almost all of the state's largest cities.

The Growth Management and Urban Economic Development Nexus

A review of the 1985 Growth Management Act and the implementing language developed by the state's Department of Community Affairs (DCA) (Chapter 9J-5) reveals substantial linkages between growth management and urban economic development. These linkages take the form of 1) a requirement for language in local comprehensive plans that addresses urban redevelopment, 2) detailed direction from DCA that local comprehensive plans limit urban sprawl, and 3) a broad requirement that local plans be consistent with plans for neighboring jurisdictions. With redevelopment promoted from the inside through anti-blight policies, development limited at the edges through anti-sprawl policies, and a regional approach to growth management through consistency requirements, Florida's approach could, in theory, provide a planning model that would help to revitalize the state's cities.

Research Approach

Through an analysis of changes in economic indicators between 1990 and 2000 for the state's largest cities, this study assesses the impact of Florida's growth management approach on urban economic development in the state. Data from the Brookings Institution *Living Cities Series* and the U.S. Census Bureau were employed. The state's largest cities (Jacksonville, Miami, Tampa, St. Petersburg) were compared to the state of Florida and to peer cities along key economic indicators for the period 1990-2000. In the peer analysis, Florida's largest cities are compared to other similarly sized cities (for Miami, Tampa, and St. Pete) or to other large cities with city-county consolidated governments (for Jacksonville) to determine if they are more or less well off than their peers after a decade of growth management. The study period 1990-2000 was chosen because of the availability of Census data and because the state's growth management system was fully implemented over the course of this decade. By 1991 most local comprehensive plans had been reviewed and approved by the state. The 1990 – 2000 time period therefore is appropriate for an assessment of the impacts of the state's growth management approach that was initially begun in 1985 with the passage of the GMA.

The Florida Economic Context 1990-2000

Despite dire predictions, the 1990s were generally a period of strong economic growth for the state of Florida. Between 1990 and 2000, the state added jobs at a greater rate than the nation, with 1.6 million more private sector jobs in 2000 than 1990, a 34.9% increase. Similarly, the state's private sector payroll almost doubled during the period. Not surprisingly, Florida's share of the national economy increased, with the state's share of private sector jobs and payroll each seeing an increase of over 7.5%. In summary, over the course of the decade, Florida added people, jobs, and dollars at rates that were the envy of most states and projections suggest that there is no near-term end to the state's continued economic growth.

Despite these very positive signs, however, two traditional measures of economic development suggest that all is not well with Florida's economy. During the 1990s, Florida's median household income actually fell relative to other states in the nation; the state's rank on this indicator fell from 29th to 34th during the decade. Similarly, even as Florida added jobs and payroll, the state's percentage of people living in poverty changed very little. During the decade, Florida went from having a percent poverty below that of the nation (12.7% for

Florida vs. 13.1% for the U.S. in 1989) to having a rate higher than that of the nation (12.5% for Florida vs. 12.4% for the U.S. in 1999).

Overall, then, the decade of the 1990s was in many ways a continuation of both the good and the bad of the Florida economy. The state continued to experience tremendous increases in population and employment, typical measures of economic growth. Indicators of economic development, however, signal troubling aspects to Florida's growth. More employment hasn't translated into income growth over that of other states. More troubling is the very minor decline in poverty during a decade of tremendous prosperity for the state. It is within this context that an analysis of the relative economic performance of the state's largest cities was undertaken.

Findings of the City to State and Peer City Analyses

The state to city comparisons and the peer city analyses revealed that the economies of Florida's four largest cities, Jacksonville, Miami, Tampa, and St. Petersburg, generally performed well during the post-GMA implementation period of the 1990s. Each of these four cities saw greater declines in their poverty rates than the state, while three of the four experienced increases in their median household income greater than that of the state. Improvement in the poverty rates of these four cities was even more remarkable given that the state's overall poverty rate declined very little in the decade.

Similar to the city-state comparisons, the peer city analyses found that Florida's four largest cities performed better than their peers during the 1990s. Tampa and St. Petersburg were at the top of their peer group along almost all measures, while Jacksonville and Miami were typically in the top half. Of perhaps most interest was the finding that improvements to the city to entire metropolitan area income ratios of Miami, Tampa, and St. Petersburg were at the very top of their peer groups, and near the top for all ninety-nine cities in the *Living Cities Series* database (Miami's income ratio increase ranked 6th, Tampa's ranked 8th, and St. Petersburg's ranked 14th). Although Jacksonville saw a slight decrease in their income ratio, their relative change still placed the city 40th in the overall rankings.

Conclusion and Policy Implications

When viewed together, what do these results tell us about the impact of state-mandated growth management on state and urban economic development? First and foremost, the evidence undermines the view that the coming of growth management to Florida would spell doom for the state economy. While Florida's ongoing population boom is generally recognized, what has generally been overlooked is that growth in private sector employment actually outpaced population growth in the state over the decade. Second, the findings undermine the view that growth management would harm the state's largest cities. By all measures, the state's largest cities participated in the state's economic growth, seeing income increases and declines in poverty that generally bettered that of the state. Similarly, the peer analysis supports this conclusion as the state's largest cities generally outperformed their peers over the course of the 1990s.

While Florida's largest cities still fight an uphill battle to achieve parity with their suburban jurisdictions, a look back at the decade of the 1990s reveals that the cities of Jacksonville, Miami, Tampa, and St. Petersburg began that climb during this period. While these results do not provide sufficient evidence to support the claim that a positive, causal relationship exists between growth management and urban economic development, this analysis provides some support for this view.

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